

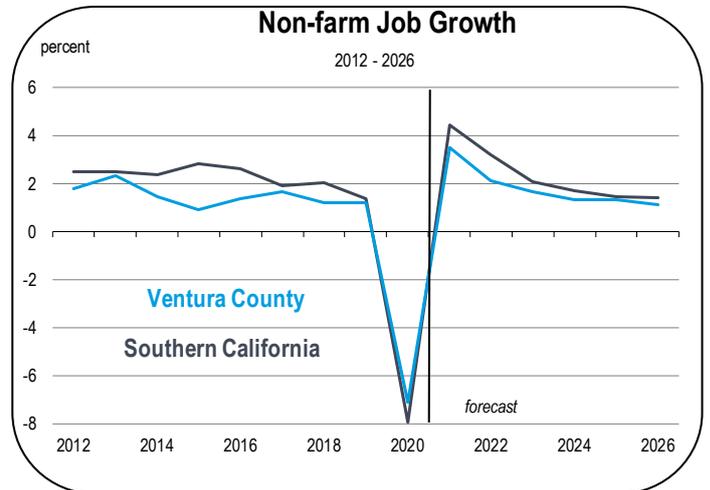
Ventura County Economic Forecast

Forecast Summary

- On an annual average basis, 10,500 jobs will be restored in Ventura County during 2021.
- A full labor market recovery is expected in 2023 or 2024.
- Employment gains in 2020 will be largest in leisure services, professional business services, information services, and retail.
- The unemployment rate averaged 8.6 percent in 2020. It is expected to average 5.9 percent in 2021.
- The Ventura County population has declined for the last few years and will continue to decline over the forecast period.
- Housing production will be lower over the 2021-2026 period than it was between 2015 and 2020.
- Home prices rose unexpectedly in 2020, increasing by 10 percent. Prices are expected to rise by another 7 to 9 percent in 2021.

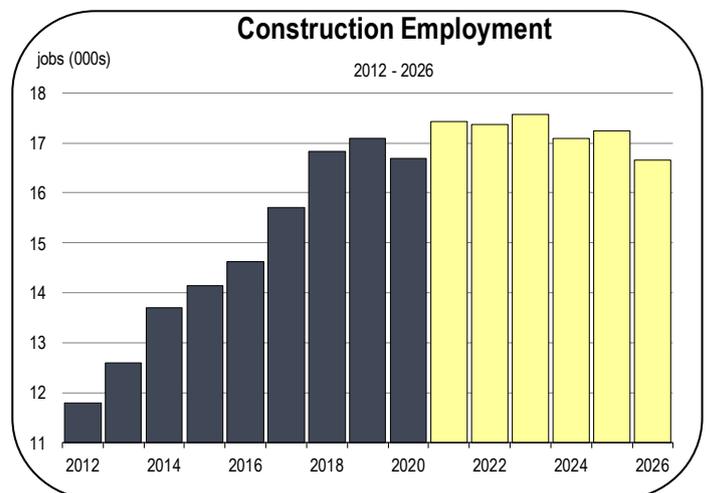
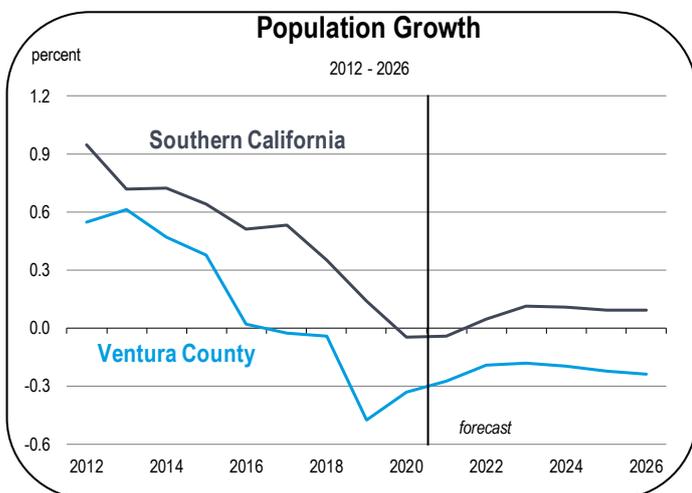
Job Growth

- Total employment in Ventura County will expand by 3.3 percent in 2021 on an annual average basis.
- Over the entire forecast period, job growth in Ventura County will be slower than the Southern California average.

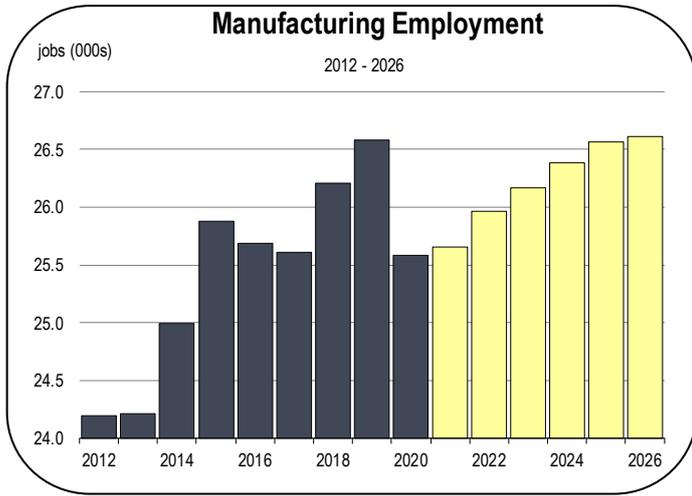


Construction Employment

- The Coronavirus Recession had only a minimal impact on the construction industry, and by early 2021 construction employment levels had almost completely recovered.
- All jobs lost during the pandemic are expected to be reinstated in 2021, with additional creation of jobs occurring before the end of the year.
- Over the forecast period, the construction workforce is expected to remain near current numbers, facilitating new development of housing, new industrial development in Oxnard and Thousand Oaks, and pervasive rehabilitation of older housing and commercial structures.



Ventura County Economic Forecast

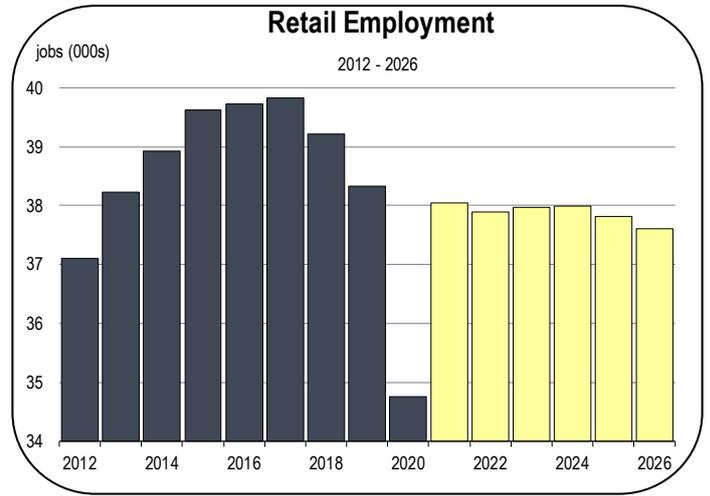
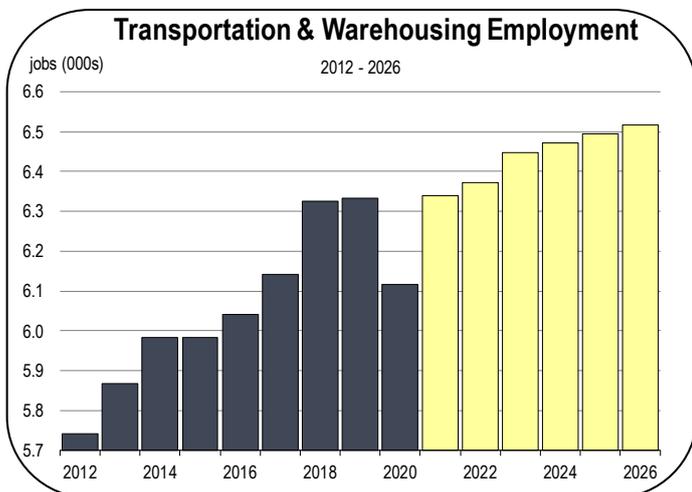


Manufacturing Employment

- Manufacturing employment declined by 3.8 percent during 2020, a loss of 1,000 jobs.
- A rebound is expected this year, with a slower rate of reinstatement in net employment forecast over time.

Transportation and Warehousing Employment

- Employment in the greater transportation and warehousing sector declined by a scant 200 jobs in 2020.



- Taxi, bus, and boating services lost substantial numbers of jobs, but job gains in local delivery services were large, partially offsetting declines elsewhere.
- In 2021, the transportation and warehousing sector will expand sharply, but growth will be slow for the remainder of the forecast period.

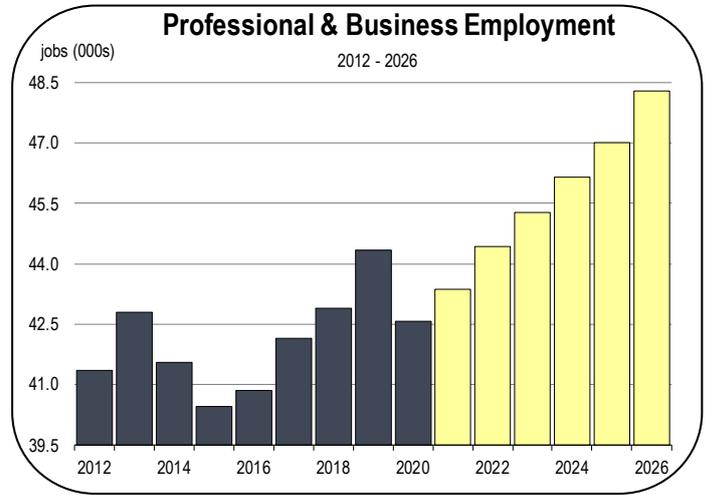
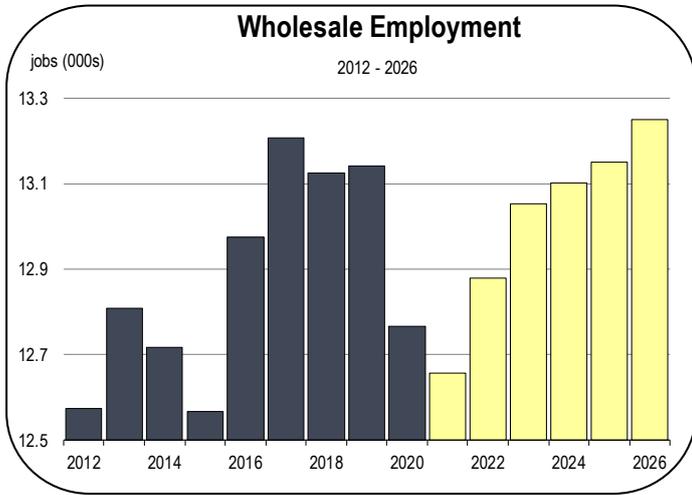
Retail Trade Employment

- The retail sector was decimated in 2020, declining by 9.3 percent and losing 3,600 jobs.
- Losses were largest at car dealers, clothing stores, and big box department stores.
- Grocery store employment expanded during 2020.
- Retail employment will rebound sharply in 2021 as storefronts increase their capacities, but automation and the transition to online shopping will leave local brick-and-mortar jobs vulnerable to contraction over time.

Wholesale Trade Employment

- Only a few hundred wholesale trade jobs were lost in 2020. We can expect a rebound to occur later this year or certainly by 2022, and modest growth to ensue over the forecast period.
- Approximately 200 jobs are expected to be restored in 2022 and a full recovery may be observed by 2025.

Ventura County Economic Forecast



Financial Activities Employment

- Financial activities employment was largely unaffected by the Coronavirus Recession.
- This is a population-serving industry, and because the Ventura County population is expected to decline, no meaningful job growth is expected in financial activities and services.

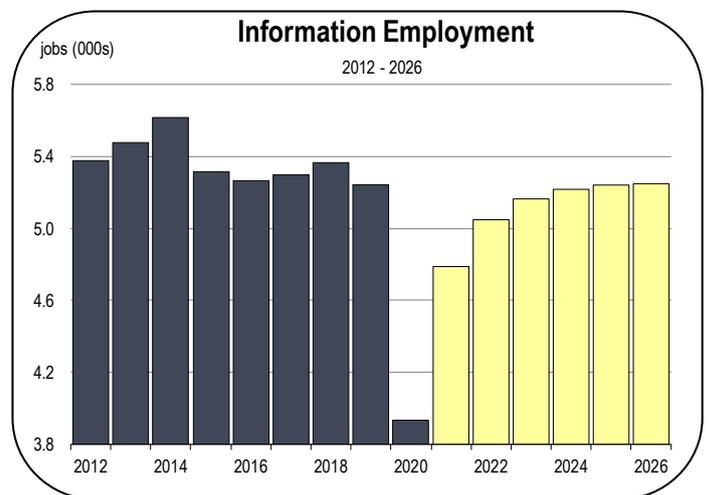
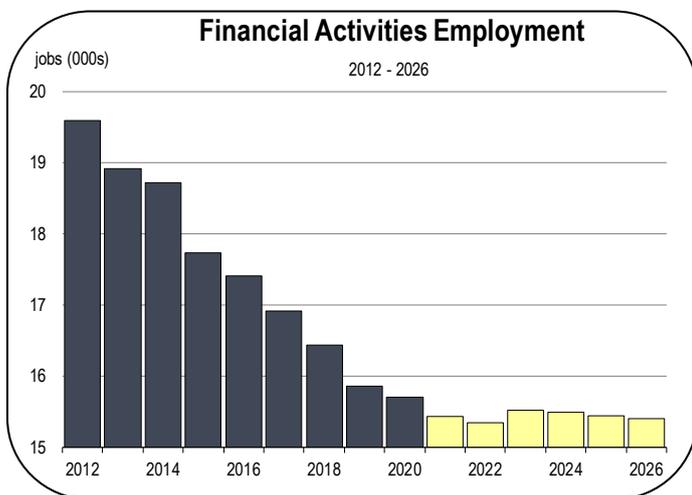
Professional and Business Services Employment

- The professional and business services industry has a diverse array of subsectors, and each was affected differently during the recession.
- The largest subsector - staffing agencies - experienced significant losses during 2020, but is expected to bounce back quickly in 2021 and 2022.

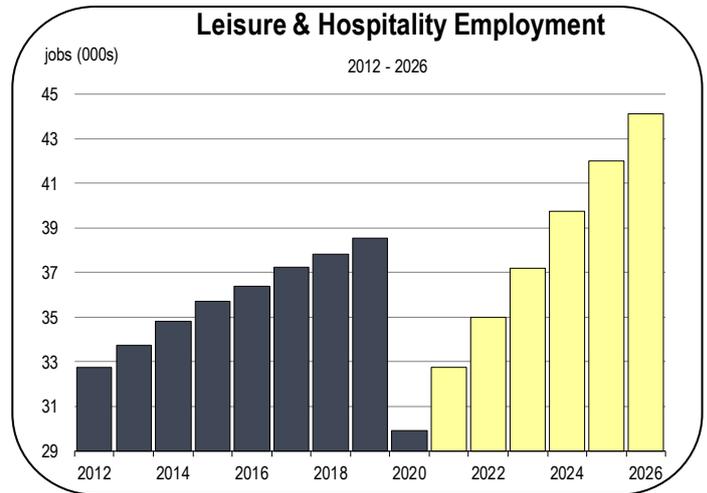
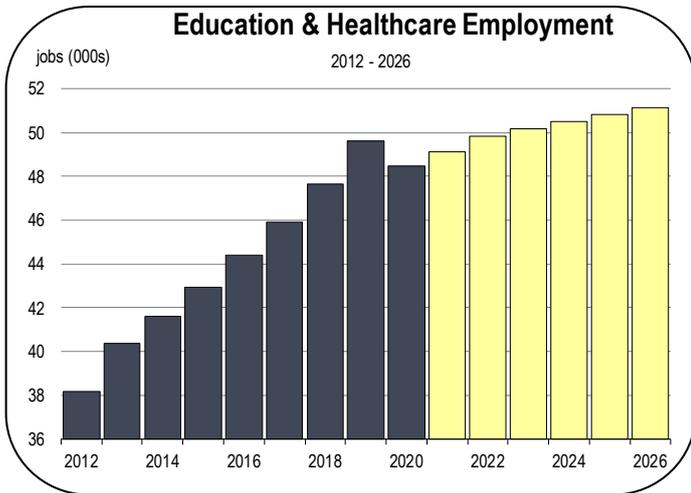
- Aside from staffing agencies, jobs losses across the professional and business services industry were minimal.
- The professional and business services industry is expected to regain 800 jobs in 2021 and 1,100 jobs in 2022.

Information Employment

- In Ventura County, the information sector is dominated by telecommunications and movie theaters.
- Across all subsectors, approximately 1,300 jobs were lost in 2020, which is a very large decrease for an industry of its size.
- Many of these jobs will be restored in 2021, but the Ventura County information industry will fail to create a meaningful number of new jobs because most of its subsectors are in long term patterns of stagnation.



Ventura County Economic Forecast



Private Education and Healthcare Employment

- The private healthcare and education industries were characterized by job losses that would have been large in most recessions, but were moderate for the Coronavirus Recession.
- Employment at doctor and dentist offices contracted modestly.
- Private schools and tutoring centers declined sharply.
- Overall, the healthcare and education industry will recover 700 jobs in 2021 and gain another 700 jobs in 2022.

Leisure and Hospitality Employment

- Leisure and hospitality firms were impacted by restricted business conditions more than any other type of company.
- Leisure and hospitality employment could rebound sharply in the second half of 2021 due to a surge in travel, dining, drinking, and recreation throughout Ventura County.
- We expect the leisure and hospitality sector to regain 2,800 jobs in 2021 and another 2,200 jobs in 2022, but it could take several years for the industry to fully recover.

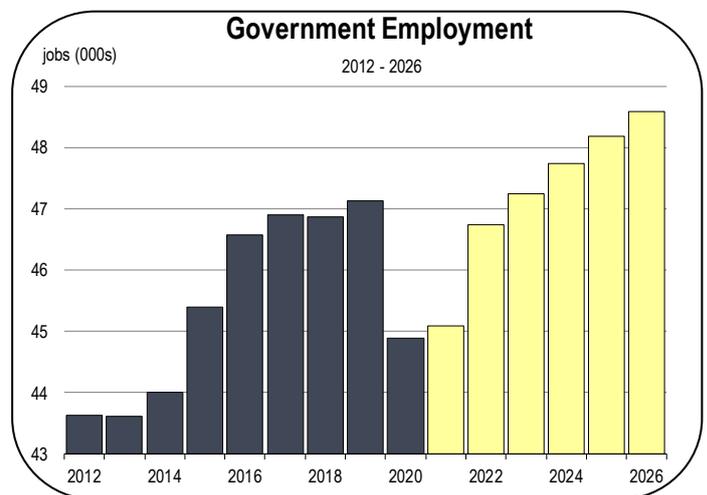
Government Employment

- State and local government agencies lost 2,600 jobs during 2020.

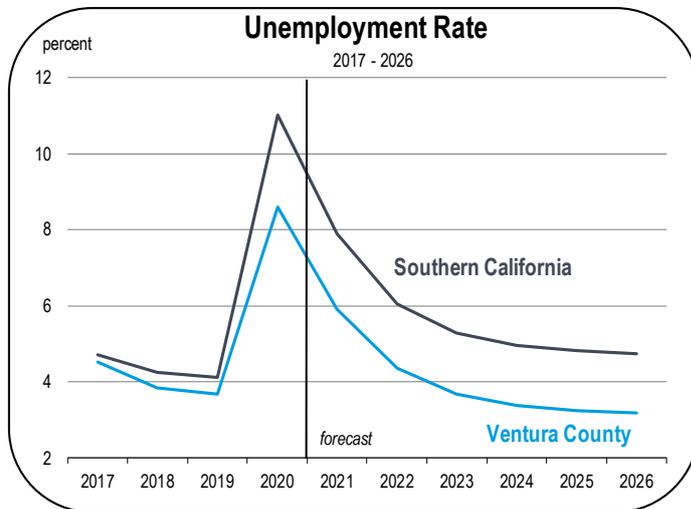
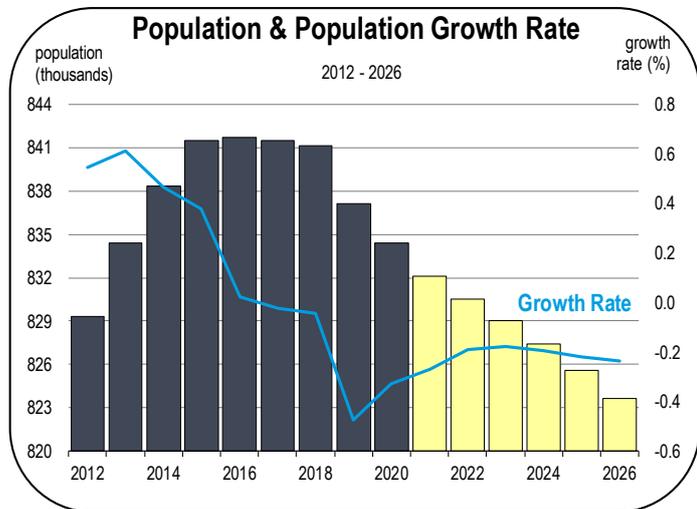
- Federal government agencies added 400 jobs in 2020, but this was mainly due the Decennial Census, which creates temporary government jobs every 10 years. These Census jobs have already ended.
- State and local government employment is not expected to change much in 2021, though some positions will be restored in fiscal 2022 (beginning in July 2021) with the commencement of in-person schools in the Fall of 2021.

Population Growth

- The Ventura County population declined in 2020 and is expected to decline throughout the 2021-2026 forecast period.



Ventura County Economic Forecast

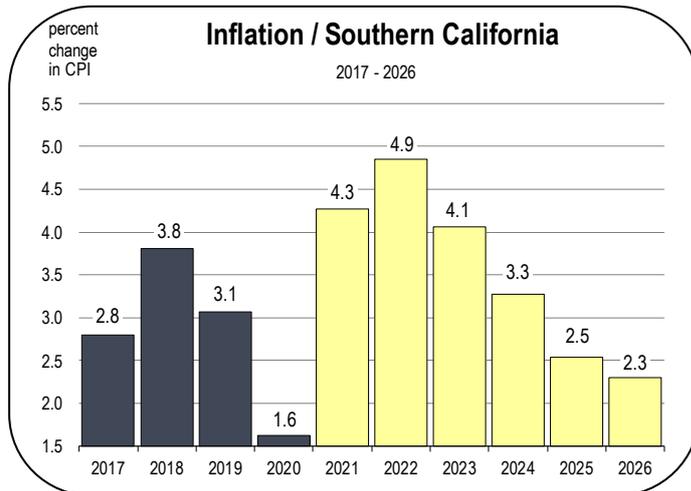
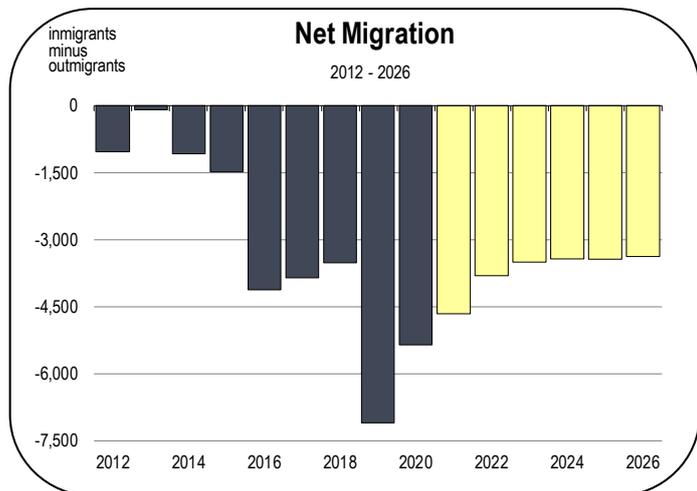


- Population decline has been the result of net out-migration, and an estimated 5,500 net migrants left the county last year.
- Over the forecast period, an average of 3,700 net migrants will leave the county each year.
- Residents are leaving Ventura County because homes are expensive but job opportunities are limited.
- Over the forecast period, the Ventura County population is expected to decline by 0.2 percent per year, falling to 823,000 residents by 2026.

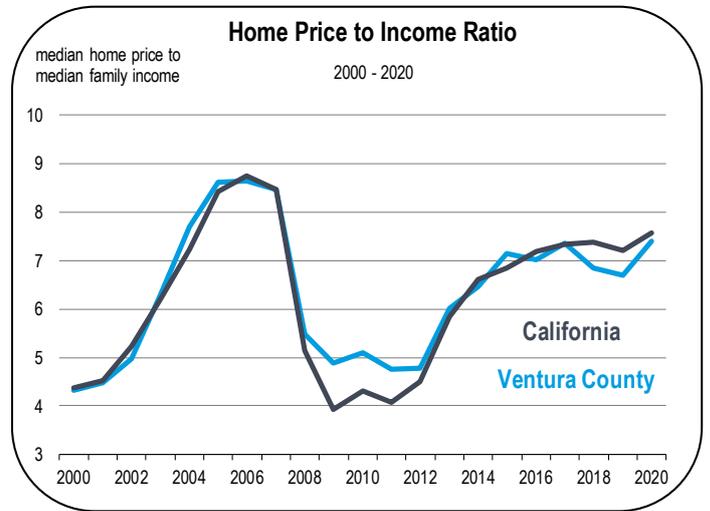
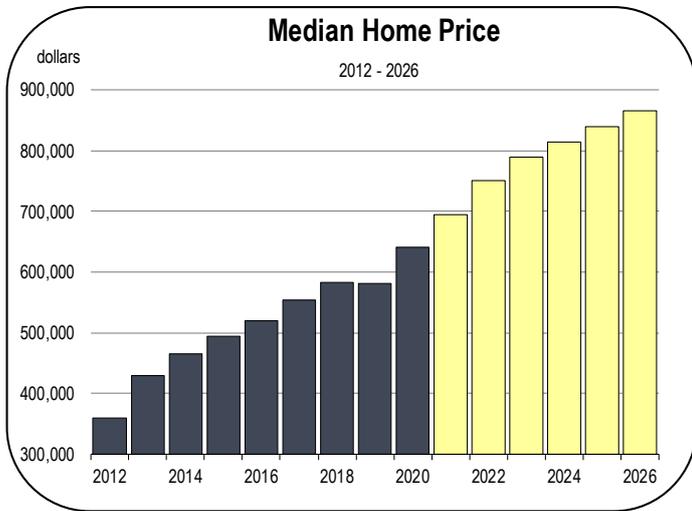
- Inflation decelerated sharply in 2020, largely because energy prices declined when the demand for fuels plunged.
- Inflation soared in 2021 and is expected to remain elevated for several years.
- Over the forecast period, there will be a number of factors that will contribute to high inflation. The most prominent will be:
 - Record levels of spending by consumers and government agencies
 - Fractures in the global supply chain that raise the cost of production for many businesses
 - Sharp increases in the cost of housing and energy
 - Labor market recruitment challenges that force companies to raise wages

Unemployment and Inflation Rates

- The unemployment rate in Ventura County averaged 8.6 percent in 2020, which was below the composite rate for Southern California.
- The unemployment rate is expected to average 5.9 percent in 2021 and 4.4 percent in 2022.



Ventura County Economic Forecast



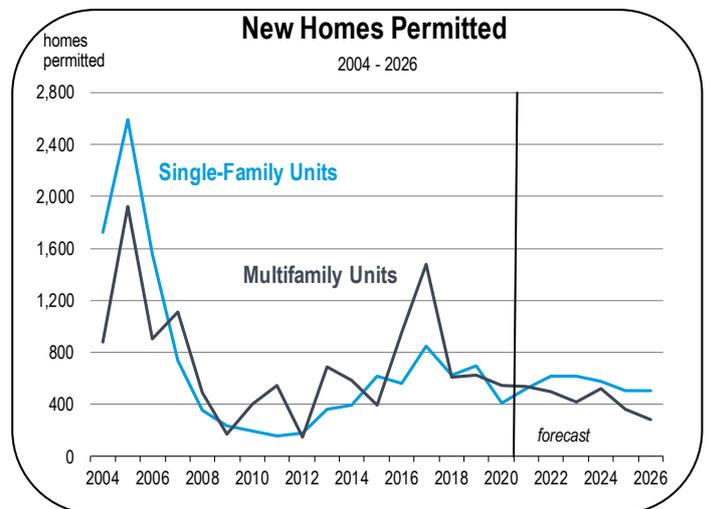
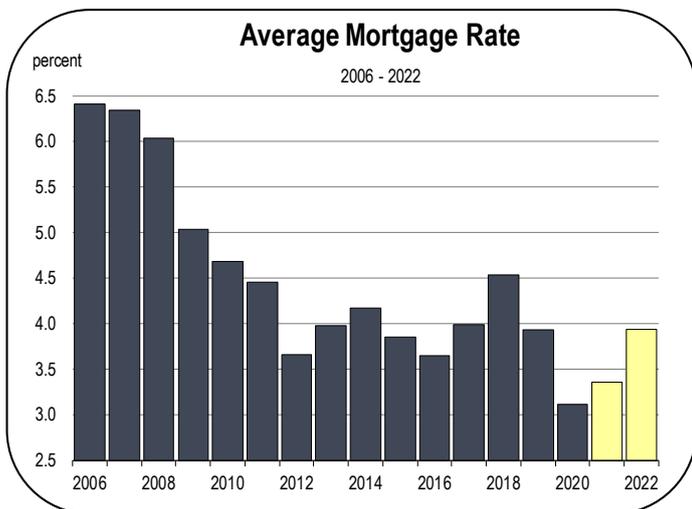
- Combined, these factors will push inflation to its highest rates in 30 years. Ultimately, it will reduce the purchasing power of households and negatively impact consumer confidence, limiting the growth potential of the economy in 2022.
- However, inflation will begin to decelerate as supply chains and the labor force are restored by the second half of the forecast period, eventually falling below 2.5 percent.

and because few local jobs offer salaries that qualify residents for homeownership.

- A 20 percent down payment on the median priced home would be \$128,000, which is out of reach for most households.
- Without a 20 percent down payment, households in Ventura County frequently must spend more than 40% of their pre-tax income on mortgage payments, which exceeds most affordability guidelines.
- From 2015 to 2020, an average of 1,400 new homes were authorized per year. Multifamily units accounted for more than half of all new units.
- Housing production will average 1,000 homes per year from 2021 to 2026. During this period, single family homes will outnumber multifamily units.

Home Prices and New Housing Production

- The median home price was \$641,500 in 2020, a 10 percent increase from the previous year.
- Prices are expected to rise by 7 to 9 percent in 2021 and could continue to increase rapidly in 2022.
- Housing affordability has become a major issue in Ventura County because the supply of new units is not keeping pace with demand,



Ventura County Economic Forecast



Proposed Townhome Project in Oxnard

- Prominent projects in the development pipeline include:

- Harvest at Limonera (1,500 units in Santa Paula)
- Springville Residential Specific Plan (1,440 units in Camarillo)
- Hitch Ranch (755 units in Moorpark)
- The Heritage Valley Parks Specific Plan (750 units in Fillmore)
- Village Wagon Wheel (approximately 800 units in Oxnard)
- Academy Village (431 units in Thousand Oaks)
- Camino Ruiz Project (385 units in Camarillo)
- Lost Canyons (364 units in Simi Valley)
- Fore River Park (333 units in Oxnard)
- Sycamore Landing (331 units in Simi Valley)
- Westwood/Parklands (326 units in Ventura)
- Westview Village (320 units in Ventura)
- The Willows/Ravello (306 units in Ventura)
- North Shore Subdivision (292 units in Oxnard)
- Pleasant Valley Rd. Project (285 units in Camarillo)
- Somis Project (281 units in Camarillo)
- Baxter Way Project (264 units in Thousand Oaks)
- Camarillo Spring Rd. Project (248 units in Camarillo)
- E Thousand Oaks Blvd. Project (342 units in Thousand Oaks)
- Coastline Ventura (231 units in Ventura)
- Newbury Rd. Project (218 units in Thousand Oaks)
- North Canyon Ranch (210 units in Simi Valley)
- Northbank (196 units in Ventura)
- C Street Apartments (175 units in Oxnard)
- Ran Rancho Apartments (159 units in Camarillo)
- Cypress Place at Garden City (150 units in Oxnard)
- LOGUE Project (125 units in Ventura)

Ventura County Economic Forecast

Economic Indicators

2015-2020 History, 2021-2050 Forecast

	Population (people)	House- holds (thousands)	Net Migration (people)	New Homes Permitted (homes)	Registered Vehicles (thousands)	Personal Income (billions)	Taxable Retail Sales (billions)	Total Taxable Sales (billions)	Real Industrial Production (billions)	Real per Capita Income (dollars)	Unemployment Rate (percent)	Real Farm Production (billions)	Inflation Rate (percent)
2015	841,511	270.6	-1,488	1,009	790	\$47.0	\$9.5	\$13.9	\$13.5	\$63,561	5.7	\$2.5	0.9
2016	841,692	272.0	-4,115	1,512	810	\$48.5	\$9.6	\$13.8	\$12.7	\$64,434	5.2	\$2.4	1.9
2017	841,483	272.9	-3,858	2,326	808	\$50.1	\$10.0	\$14.0	\$11.4	\$64,692	4.5	\$2.3	2.8
2018	841,120	273.3	-3,523	1,239	813	\$52.5	\$10.3	\$14.3	\$9.7	\$65,376	3.8	\$2.2	3.8
2019	837,128	274.6	-7,100	1,320	829	\$54.7	\$10.5	\$14.8	\$9.7	\$66,464	3.7	\$2.0	3.1
2020	834,368	276.2	-5,351	954	821	\$56.3	\$10.1	\$14.1	\$10.1	\$67,462	8.6	\$2.0	1.6
2021	832,104	276.8	-4,656	1,059	813	\$57.8	\$10.8	\$15.2	\$9.9	\$67,773	5.9	\$2.0	4.3
2022	830,518	277.8	-3,804	1,113	805	\$60.0	\$11.0	\$15.5	\$9.9	\$68,788	4.4	\$2.0	4.9
2023	829,027	278.9	-3,500	1,041	801	\$62.7	\$11.3	\$15.9	\$10.1	\$70,345	3.7	\$2.0	4.1
2024	827,412	279.9	-3,429	1,096	801	\$65.4	\$11.6	\$16.3	\$10.2	\$71,756	3.4	\$2.0	3.3
2025	825,583	280.9	-3,435	868	801	\$68.2	\$11.8	\$16.6	\$10.3	\$73,254	3.2	\$2.0	2.5
2026	823,637	281.7	-3,375	789	800	\$70.9	\$11.9	\$16.7	\$10.4	\$74,627	3.2	\$2.0	2.3
2027	821,570	282.4	-3,309	796	800	\$73.6	\$12.1	\$16.9	\$10.5	\$76,066	3.2	\$2.0	2.1
2028	820,478	283.2	-2,113	708	791	\$76.3	\$12.2	\$17.1	\$10.6	\$77,304	3.2	\$2.0	2.1
2029	819,797	283.9	-1,510	694	784	\$79.2	\$12.5	\$17.6	\$10.6	\$78,438	3.2	\$1.9	2.1
2030	819,238	284.5	-1,222	766	780	\$81.8	\$12.9	\$18.1	\$10.6	\$79,326	3.2	\$1.9	2.1
2031	818,470	285.2	-1,177	811	779	\$84.3	\$13.2	\$18.5	\$10.6	\$80,189	3.2	\$1.9	2.2
2032	817,484	286.0	-1,075	816	779	\$86.8	\$13.5	\$19.0	\$10.6	\$80,835	3.2	\$1.9	2.1
2033	816,317	286.8	-974	820	778	\$89.4	\$13.8	\$19.4	\$10.7	\$81,812	3.2	\$1.9	1.9
2034	815,034	287.6	-870	925	778	\$92.1	\$14.1	\$19.8	\$10.7	\$82,709	3.2	\$1.9	2.0
2035	813,645	288.4	-746	910	777	\$95.0	\$14.5	\$20.3	\$10.7	\$83,581	3.2	\$1.9	2.0
2036	812,107	289.3	-744	921	776	\$98.0	\$15.0	\$21.0	\$10.7	\$84,195	3.2	\$1.9	2.1
2037	810,382	290.1	-754	909	776	\$101.1	\$15.4	\$21.6	\$10.7	\$84,761	3.2	\$1.9	2.1
2038	808,521	291.0	-760	867	776	\$104.2	\$15.8	\$22.2	\$10.8	\$85,470	3.1	\$1.9	2.0
2039	806,518	291.8	-779	875	773	\$107.5	\$16.3	\$22.8	\$10.7	\$86,072	3.1	\$1.9	2.1
2040	804,337	292.6	-838	909	772	\$110.8	\$16.7	\$23.4	\$10.7	\$86,699	3.1	\$1.9	2.0
2041	801,994	293.5	-893	900	771	\$114.0	\$17.1	\$24.0	\$10.8	\$87,555	3.0	\$1.9	2.1
2042	799,485	294.4	-954	949	769	\$117.2	\$17.5	\$24.5	\$10.8	\$88,473	3.0	\$1.9	2.0
2043	796,837	295.2	-991	890	768	\$120.4	\$17.9	\$25.1	\$10.9	\$89,443	3.0	\$1.9	1.9
2044	794,095	296.1	-1,017	867	767	\$123.6	\$18.2	\$25.5	\$10.9	\$90,514	2.9	\$1.9	2.0
2045	791,249	296.9	-1,045	852	766	\$126.9	\$18.6	\$26.1	\$11.0	\$91,513	2.9	\$1.9	2.1
2046	788,288	297.7	-1,079	848	764	\$130.2	\$19.0	\$26.7	\$11.0	\$92,399	2.9	\$1.9	2.1
2047	785,238	298.5	-1,130	853	763	\$133.6	\$19.4	\$27.3	\$11.0	\$93,116	2.9	\$1.9	2.1
2048	782,125	299.3	-1,147	834	762	\$137.1	\$19.9	\$28.0	\$11.0	\$93,795	2.9	\$1.9	2.2
2049	778,967	300.1	-1,148	818	761	\$140.5	\$20.4	\$28.6	\$11.0	\$94,645	2.9	\$1.9	1.9
2050	775,707	300.9	-1,153	807	758	\$144.1	\$20.9	\$29.3	\$11.0	\$95,451	2.9	\$1.9	2.0

Employment Sectors

2015-2020 History, 2021-2050 Forecast

	Total Wage & Salary	Farm	Construction	Manufac- turing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
	(thousands of jobs)											
2015	322.8	26.3	14.2	25.9	6.0	52.2	17.7	40.5	5.3	42.9	35.7	45.4
2016	325.7	25.2	14.6	25.7	6.0	52.7	17.4	40.9	5.3	44.4	36.4	46.6
2017	329.2	23.8	15.7	25.6	6.1	53.0	16.9	42.2	5.3	45.9	37.2	46.9
2018	333.4	24.3	16.8	26.2	6.3	52.3	16.4	42.9	5.4	47.7	37.8	46.9
2019	337.5	24.7	17.1	26.6	6.3	51.5	15.9	44.4	5.2	49.6	38.5	47.1
2020	315.7	25.1	16.7	25.6	6.1	47.5	15.7	42.6	3.9	48.5	29.9	44.9
2021	326.2	25.5	17.4	25.7	6.3	50.7	15.4	43.4	4.8	49.1	32.8	45.1
2022	332.1	25.1	17.4	26.0	6.4	50.8	15.3	44.4	5.0	49.8	35.0	46.7
2023	337.2	25.1	17.6	26.2	6.4	51.0	15.5	45.3	5.2	50.2	37.2	47.2
2024	341.3	25.0	17.1	26.4	6.5	51.1	15.5	46.2	5.2	50.5	39.8	47.7
2025	345.5	25.0	17.2	26.6	6.5	51.0	15.4	47.0	5.2	50.8	42.0	48.2
2026	349.1	25.1	16.7	26.6	6.5	50.9	15.4	48.3	5.2	51.1	44.1	48.6
2027	352.8	25.1	16.9	26.7	6.5	50.8	15.4	49.1	5.3	51.4	46.2	49.0
2028	356.2	25.2	16.7	26.6	6.6	50.7	15.3	50.0	5.2	51.7	48.0	49.3
2029	359.8	25.4	16.8	26.7	6.6	50.9	15.2	50.9	5.2	52.0	49.8	49.6
2030	363.0	25.6	16.7	26.6	6.6	51.1	15.2	51.7	5.2	52.3	51.4	49.8
2031	365.6	25.8	16.7	26.6	6.6	51.2	15.2	52.4	5.2	52.6	52.6	50.1
2032	367.9	25.9	16.7	26.6	6.6	51.4	15.1	53.1	5.2	52.8	53.5	50.3
2033	370.1	26.1	16.8	26.5	6.6	51.5	15.0	53.8	5.2	53.1	54.3	50.4
2034	372.1	26.3	16.8	26.5	6.7	51.6	14.9	54.5	5.2	53.3	54.9	50.6
2035	374.0	26.4	16.9	26.5	6.7	51.8	14.8	55.1	5.2	53.5	55.4	50.8
2036	375.9	26.6	17.0	26.5	6.7	52.0	14.8	55.7	5.2	53.8	55.9	50.9
2037	377.7	26.8	17.1	26.5	6.7	52.2	14.7	56.3	5.2	54.0	56.3	51.0
2038	379.4	26.9	17.1	26.5	6.7	52.3	14.7	56.9	5.2	54.2	56.7	51.1
2039	381.1	27.1	17.1	26.5	6.7	52.5	14.7	57.5	5.2	54.4	57.1	51.2
2040	382.7	27.3	17.1	26.5	6.7	52.6	14.7	58.0	5.2	54.6	57.6	51.3
2041	384.3	27.5	17.1	26.5	6.7	52.7	14.8	58.6	5.3	54.8	58.0	51.4
2042	385.9	27.7	17.2	26.5	6.7	52.8	14.8	59.1	5.3	55.0	58.3	51.5
2043	387.5	27.9	17.2	26.5	6.8	52.9	14.8	59.6	5.3	55.2	58.8	51.6
2044	389.0	28.1	17.1	26.5	6.8	53.0	14.8	60.1	5.3	55.4	59.3	51.6
2045	390.5	28.3	17.1	26.5	6.8	53.2	14.8	60.5	5.3	55.6	59.7	51.7
2046	391.7	28.4	16.9	26.5	6.8	53.3	14.8	61.0	5.3	55.7	60.1	51.7
2047	392.9	28.6	16.8	26.5	6.8	53.4	14.7	61.5	5.3	55.9	60.5	51.8
2048	394.4	28.8	17.0	26.5	6.8	53.6	14.7	61.9	5.3	56.1	60.8	51.8
2049	395.6	29.0	16.8	26.5	6.8	53.7	14.7	62.3	5.3	56.2	61.2	51.9
2050	396.8	29.2	16.8	26.5	6.8	53.9	14.7	62.7	5.3	56.4	61.5	51.9

Ventura County Economic Forecast

Socioeconomic Indicators

